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U.S. Department of Transportation
Dockets Facility, Room PL-401
400 Seventh Street SW
Washington, DC 20590-0001

RE: Docket No. RSPA-99-6355; Notice 1
Pipeline Safety: Enhanced Safety and Environmental Protection for Gas Transmission and Hazardous Liquid Pipelines in High Consequence Areas

Colorado Interstate Gas Company (CIG) supports the addition of an integrity management rule in the Pipeline Safety Regulations if the rule is performance based rather than prescriptive, if the rule will further improve pipeline safety, and if a cost-benefit analysis (performed in accordance with existing administrative procedures) concludes that the benefits of the rule outweigh the costs.

Considering the industry's excellent safety record, it is questionable that any measurable additional benefit to the public or the environment would be achieved by OPS mandating a testing rule, such as one that would require smart pigging or hydrostatic testing, or both, in high consequence areas (HCA). Such a rule will result in the diversion of resources away from high-risk areas where both the probability and consequences of an event have already been established, and instead will mandate specific work in high consequence areas.

OPS and the industry have invested a significant amount of resources on the risk management program, whose basic premise is that risk is determined by considering both the probability and consequences of an event. Focusing only on consequence dilutes the focus on total risk. For CIG, the additional expense associated with smart pigging and hydrostatic testing in HCA's could cause delay of replacement or rehabilitation projects in the pipeline system even though these projects may be addressing other system reliability issues.

Should this OPS initiative be required, as determined by a cost-benefit analysis, we offer the following recommendations:

Performance based rule

Performance language should be used in the rule to define a HCA and the expected goals of an integrity management plan. The rule should require operators to develop and implement an Integrity Management Plan for those high risk areas along their pipelines, and reference an industry standard, which would be jointly developed by the gas pipeline industry along with OPS and other stakeholders.
The industry standard would provide guidance for the development of a company

specific Integrity Management Plan which meets the intent of both the industry standard and the proposed OPS rule.

High Consequence Areas (HCA)

The HCA definition should consider Class 3 and 4 locations; it should also itemize other consequence parameters necessary for the operator, considering the operator's specific facilities and operating conditions, to identify HCA's. In these areas, the industry standard would not mandate testing; instead, gathering and integration of data related to the facilities and associated operating conditions would be required; this data would be used to assess the integrity of those pipeline segments in a HCA. Where sufficient information and data are not available, testing, inspection or other data acquisition would be required, to the extent necessary to make the required assessment.

Blending existing regulations with industry standards

In the development of the industry standard and the performance based regulation, all consequence driven regulations should be extracted from 49CFR192, with the related provisions covered in the industry standard. This would provide for a comprehensive handling of the consequence factors, as they would apply to necessary preventive actions. With a more comprehensive approach, the operator would select the most appropriate methodologies for dealing with consequence driven criteria, and implement those methodologies to respond to the potential risks. Depending on the specific situation, the operator's implementation choices may include smart pigging, pipe replacement, reducing operating pressure, hydrostatic testing, additional leak surveys, etc. Remedial actions would then be required if the integrity of a pipeline segment does not meet the performance requirements in the rule.

When determining remedial actions, operators would be permitted to consider previous actions taken in the affected segment that exceed the regulatory minimums, such as nondestructive testing of 100% of welds, use of lower design factors, or increased depth of burial, etc.

Options Approach

OPS should consider drafting the rule to provide an option so operators could choose between either a performance based integrity plan or prescriptive based testing program. For some companies it may be simpler and more expeditious to test rather than develop a comprehensive integrity plan.

OPS could provide for this contingency either in regulations that allow operators to choose which option best fits their needs, or by incorporating the testing option into the industry standard. The latter option would result in a single,

performance based regulation which references an industry standard in which the necessary flexibility is provided.

Implementation of the rule should be similar to the Operator Qualification rule in which operators are given time to develop a plan, and then additional time to implement the plan.

A. Public Education

Recognizing that enhancement of public education may be included in this proposed rule, CIG proposes a public disclosure requirement (in addition to those already contained in existing programs and regulations) regarding the identified HCA's. This would be an extension of the extensive public outreach efforts of OPS in recent years to expand the information about benefits and potential risks of pipelines routed through local communities, including "call before you dig" requirements.

OPS has already engaged in several successful initiatives on public education, such as the Damage Prevention Program and Risk Management Program. The "Communication Plan" requirements set forth in the Risk Management Program Standard of the OPS Risk Management Demonstration Program should be considered as a model for sharing relevant HCA information with the public. OPS should build on its own existing initiatives on public education rather than reinvent programs or copy other regulatory agencies.

Conclusion

CIG is committed to maintaining the integrity of our pipelines and working with OPS, the States and other stakeholders to pursue the development of an industry standard, and to revise the Pipeline Safety Regulations. We recommend a "best practices" approach along the lines of the successful joint development of a "risk management standard".

We are committed to improving pipeline safety but are opposed to the unnecessary expenditure of resources in areas where safety may not be improved and that could cause deterioration of existing, proven safety initiatives. We also encourage OPS to complete, document, and measure the many other initiatives started during this presidential administration in order to ensure that our combined efforts are effectively applied.

CIG appreciates the opportunity to comment on this very important issue.

Yours truly,

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